Homeland Security Emergency Management Division

"Grants Management"
Kaizen Event
Report Out

February 22 to 26, 2010

The Opportunity

By: Dave Miller
Project Sponser

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Team Members

Lynda

Team leader	**Jeff Terrell, IDHS**
Sub-team leader	**John Benson, HSEMD**
Consultant	**Terry Butler, Vermeer Manufacturing**
Consultant	**Fred Early, Vermeer Manufacturing**
• **Members**	**Craig Van Vark**
	Duane Jamison
	Bonnie Rieder
	Doug Rossell
	Jon Paoli
	Liz Manion
	Lisa Sexton
	Lynda Wessel
	Paula Zamora
	Steve O'Neil
	Tricia Boggs

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Scope
Tricia

This event will address the Grants Management process from when we receive the request for payment until the confirmed payment is made to the grant requester (Invoice submittal, Processing payments, Issuing payment, and Confirmation).

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Goals

Tricia

1. Achieve 95% customer satisfaction with the payment process.

2. Reduce payment cycle time by 50%.

3. Establish a routine team communication process.

4. Reduce overtime by 65%.

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Objectives

Lisa

1. Map the current process.

2. Define essential roles & responsibilities.

3. Create standard work for all steps.

4. Improve customer satisfaction, reduce complaints (track them), eliminate duplication, wasted time, overtime.

5. Improve intra-divisional communication and visibility (define problem solving process).

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Objectives

Lisa

6. Understand the customers cycle time.

7. Reduce cycle time for grant payments.

8. Build redundancy, back-up capability.

9. Establish a training schedule for external and internal customers.

10. Map the future state process.

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Kaizen Methodology
Craig

➢ Clear objectives

➢ Team process

➢ Tight focus on time

➢ Quick & simple

➢ Necessary resources immediately available

➢ Immediate results (new process designed by end of week)

➢ 5S "mindset"--use the steps to support the event activities

   ➢ Sort, Set in order, Shine, Standardize, Sustain
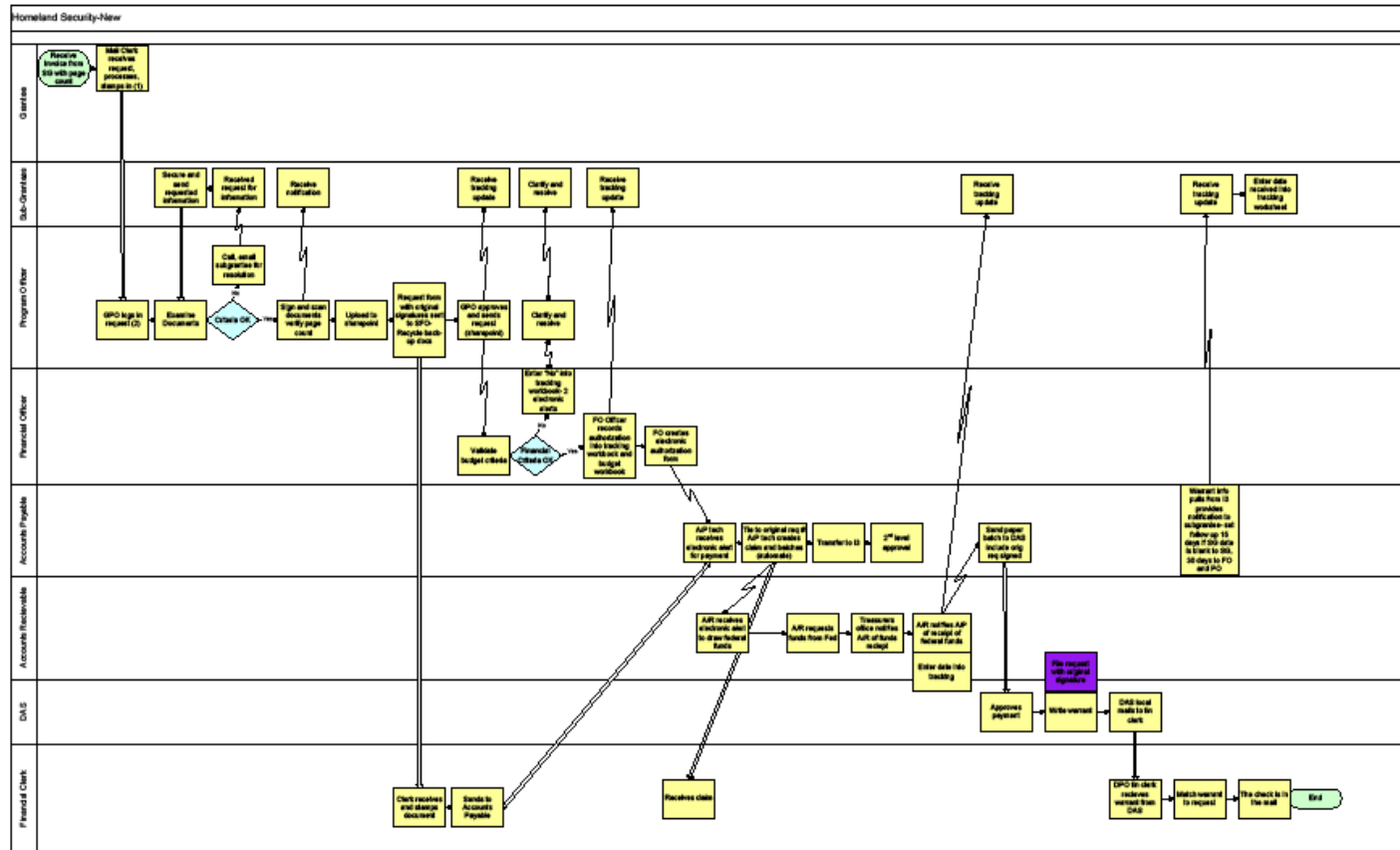
Current Process
Craig

Brainstorming

Bonnie

- ➢ Use share point as single place to track application process, store documentation, answer questions for all parties.

- ➢ Automate notifications to staff and to customers for various milestones in payment process.

- ➢ Identify critical functions, define standard work and expectations for submittals.

- ➢ Use share point to share budget workbook and status tracking transparent between grantee and sub-grantee.

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New Process
Doug

Results
Doug

	Current	New	% Change
Total Steps	**38**	**31**	**-18%**
Total Delays	**9**	**6**	**-33%**
Average Delay Time - Days	**30d**	**13d**	**-57%**
Value Added Steps	**8**	**13**	**63%**
Decisions	**2**	**2**	**0%**
Loop Backs	**2**	**2**	**0%**
Total Handoffs	**11**	**10**	**-9%**
Lead Time - Days	**30d 13,950min**	**14d 6,300min**	**-55%**

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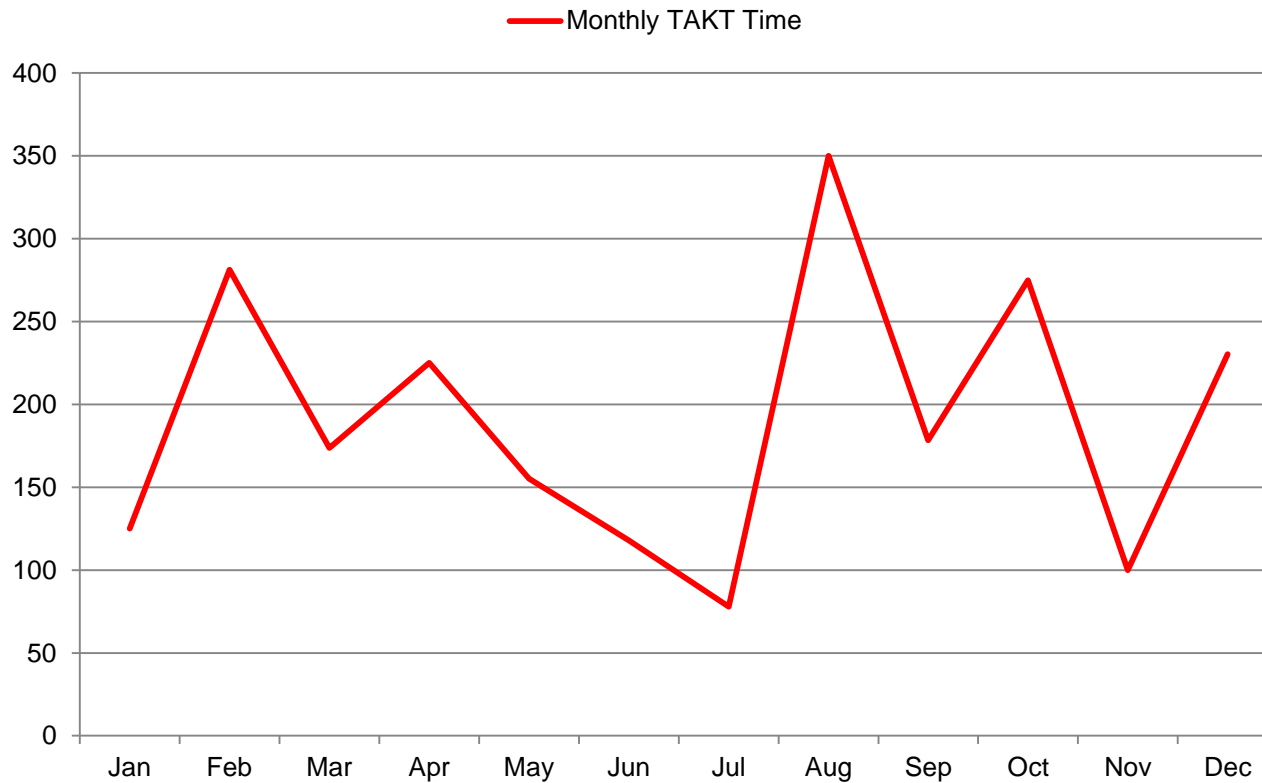
Results
Terry

TAKT Time

Available Time (minus daily breaks) = 252 Days/yr =   **113400 minutes/yr**
Customer Demand   =   **714 checks/yr**

$$\underline{\textbf{Available Time}} = \underline{\textbf{113400 min}} = \textbf{\textcolor{red}{159 min/check}}$$
$$\textbf{Customer Demand} \quad\quad \textbf{714 checks}$$

Results
Terry

Monthly TAKT Time

Results
Terry

**TAKT TIME
Current State**

Total Cycle Time = 375
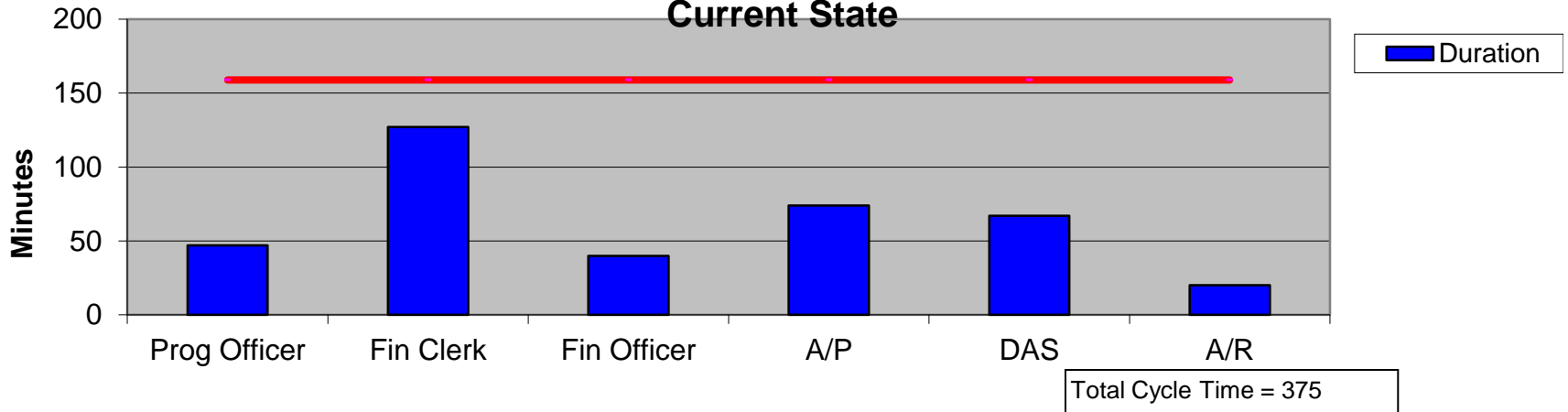
**TAKT TIME
Future State**

Total Cycle Time = 280
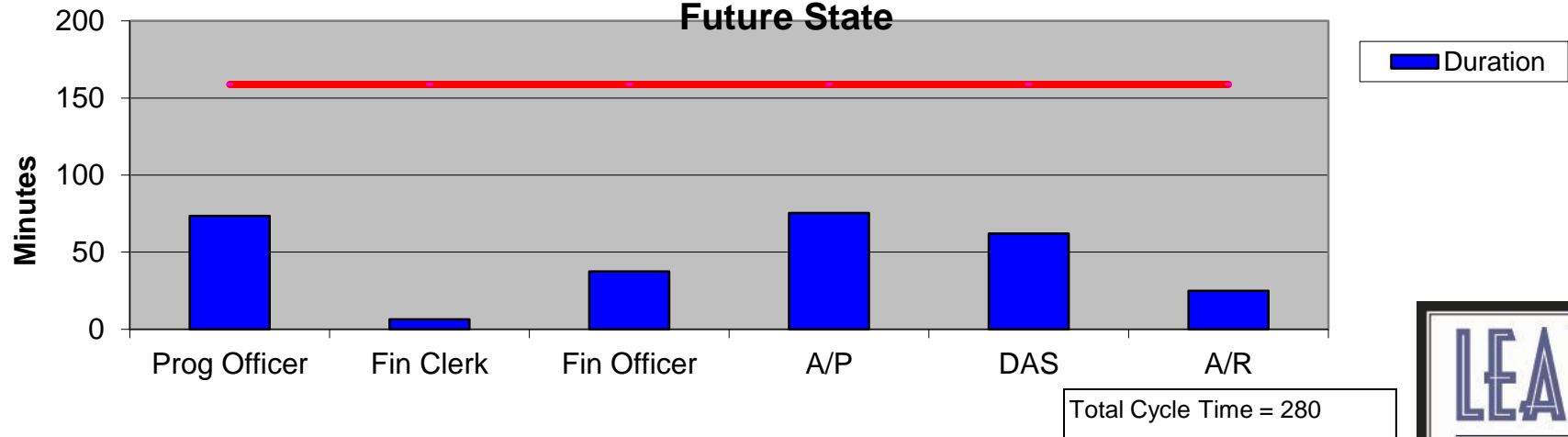
Homework
Duane

Item	Item Description	Person Responsible	Due Date
1	Who can add/delete in sharepoint security	Lynda	Done
2	What documentation is required for the auditors (scan OK)	Duane	Done
3	Identify primary resp. follow up to "close loop"		Done: Prog for Prog, Fisc for Fisc, final = accntnt
4	Evaluate scanner needs in grant program	Lynda	3/1/2010
5	Standard work check for FAX (freq) until/unless auto	Duane	3/5/2010
6	Evaluate how to automatically update the tracking workbook when e-expenditure authorization form is generated by budget analyst	Duane	3/31/2010
7	Complete development/implementation of electronic expenditure authorization form	Duane/Bonnie	3/31/2010

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Homework
Duane

Item	Item Description	Person Responsible	Due Date
8	Create document tracking number rules for relationship to budget ID	Doug/Trisha/Lisa	3/31/2010
9	Obtain chart accounts fund transfer information necessary for all sub-grantee's for payment (for checklist).	Doug	3/31/2010
10	Standard work for FO for HSGP validation so all know what is reviewed and approved	Bonnie	3/31/2010
11	Standard work for PO for HSGP so all know what is reviewed and approved	Doug	3/31/2010
12	Criteria for HSGP "standard work" for sub-grantee	Lisa / Doug	3/31/2010
13	Satisfaction survey	Chad	3/31/2010
14	Validate time expectations PO/FO/AP/AR	Duane / Lynda	4/30/2010

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Homework
Duane

Item	Item Description	Person Responsible	Due Date
15	Form mgt (elim obsolete form versions/processes –standard budget request)	Duane / Bonnie	4/30/2010
16	Create variance threshold to control/reduce number of budget adjustment requests.	Lynda	10/1/2010
17	Sub-grantee entry of expenditure information (detailed) to align with budget (training)	Lynda/Jon Paoli	10/1/2010

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Team Member Experience

Team members presenting this slide

Lynda Wessel

Liz Manion

Duane Jamison

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We welcome your questions and comments!